

# EXHIBIT A

Jun 18 09 02:19p

Town Salem-NH

6038981223

P. 1

Run: 6/18/09  
11:48AM

# Property Billing Statement

Town of Salem  
33 Geremonty Drive  
Salem, NH 03079

603-890-2100

Page: 1  
cbolouk

CIRCUIT NH CORP # 4120  
ATTN: TAX DEPARTMENT  
P O BOX 42304  
RICHMOND, VA 23242-2304

Map Lot: 143/192  
PID: 143/192  
Alt ID: 4-5  
Location: 412 S BROADWAY

## Summary of Account by Property

Interest Calculated as of: 6/18/2009

Date	Activity	Chk#	Amount	Costs	Penalties	Interest	Rate	Per Diem	Total
Current Assessments									
Land:	2,640,400.00	Bldg:	2,249,600.00	CU:	0.00	Other:	0.00	Total:	4,890,000.00
Year: 2009	Total Assessment:		4,890,000.00	Exemptions:		Credits			
Land:	2,640,400.00	CU:	0.00						
Bldg:	2,249,600.00	Other:	0.00						
Bill #:	162621	Date: 5/18/2009	Due: 7/01/2009	Year: 2009	Type: TAX1	Original	Amnt:	33,937.00	
Balance Due:			33,937.00	0.00	0.00	0.00	12.00	11.1574	33,937.00
2009 Balance:			33,937.00	0.00	0.00	0.00		11.1574	33,937.00
Totals Parcel - 143/192			33,937.00	0.00	0.00	0.00		11.1574	33,937.00

*Attn: Anna Kelly*

Jun 18 09 02:20p

Town Salem-NH

6038981223

p.2

Ruri: 6/18/09  
11:48AM

# Property Billing Statement

Page: 1  
cbolouk

Town of Salem  
33 Geremonty Drive  
Salem, NH 03079

603-890-2100

## Summary of Account by Property

Interest Calculated as of: 6/18/2009

CIRCUIT NH CORP # 4120  
ATTN: TAX DEPARTMENT  
P O BOX 42304  
RICHMOND, VA 23242-2304

Map Lot: 143/192  
PID: 143/192  
Alt ID: 4-5  
Location: 412 S BROADWAY

Date	Activity	Chk#	Amount	Costs	Penalties	Interest	Rate	Per Diem	Total
- Current Assessments									
Land:	2,640,400.00	Bldg:	2,249,600.00	CU:	0.00	Other:	0.00	Total:	4,890,000.00
Year: 2008	Total Assessment:		0.00	Exemptions:		Credits:			
Land:	0.00	CU:	0.00						
Bldg:	0.00	Other:	0.00						
Bill #:	153707	Date:	4/21/2009	Due:	4/21/2009	Year:	2008	Type:	TAX LIEN
Lien Book:	5003	Page:	0144	Release Date:	/ /	Book:		Page:	
5/19/2009	Modificati		0.00	-13.00	0.00	0.00			-13.00
	Balance Due:		142.61	13.00	0.00	4.08	18.00	0.0703	159.69
	2008 Balance:		142.61	13.00	0.00	4.08		0.0703	159.69
Totals Parcel -	143/192		142.61	13.00	0.00	4.08		0.0703	159.69

Jun 18 09 02:20p

Town Salem-NH

6038981223

P.3

Run: 6/18/09  
11:49AM

# Property Billing Statement

Town of Salem  
33 Geramonty Drive  
Salem, NH 03079

603-890-2100

Page: 1  
cbolouk

CIRCUIT NH CORP # 4120  
ATTN: TAX DEPARTMENT  
P O BOX 42304  
RICHMOND, VA 23242-2304

Map Lot: 143/192  
PID: 143/192  
Alt ID: 4-5  
Location: 412 S BROADWAY

Summary of Account by Property  
Interest Calculated as of: 6/18/2009

Date	Activity	Chk#	Amount	Costs	Penalties	Interest	Rate	Per Diem	Total
Current Assessments									
Land:	2,640,400.00	Bldg:	2,249,600.00	CU:	0.00	Other:	0.00	Total:	4,890,000.00
Year: 2008	Total Assessment:		4,890,000.00	Exemptions:		Credit:			
Land:	2,640,400.00	CU:	0.00						
Bldg:	2,249,600.00	Other:	0.00						
Bill #:	144579	Date:	10/22/2008	Due:	12/01/2008	Year:	2008	Type:	TAX2
3/05/2009	Payment	K 15354588	35,549.00	0.00	0.00	1,110.29		Original Amnt:	35,549.00
	Balance Due:		0.00	0.00	0.00	0.00	12.00	0.0000	0.00
	2008 Balance:		0.00	0.00	0.00	0.00		0.0000	0.00
Totals Parcel - 143/192			0.00	0.00	0.00	0.00		0.0000	0.00

JUN-18-2009 08:31

6038981223

79%

P.03

# **EXHIBIT B**

Exhibit G-2

399860 Circuit NH Corp  
Last Payment Applied: 10/1/08  
Debt Service Payments Held In Suspense\*\*: \$144,871.90  
Sold from PLIC to PCA GA: 3/28/08  
Accrued Interest Booked to Ledger Ceased: 9/30/08  
Default Interest Began: 11/1/08  
Note Rate: 8.28%  
Default Rate: 11.28%

10/31/2008 Principal Balance	2,223,894.54	
10/31/2008 Interest Due 30 days at note rate	15,841.42	(a)
11/30/2008 Interest Due 30 days at default rate	21,044.12	(a)
12/31/2008 Interest Due 30 days at default rate	21,241.83	(a)
01/02/2009 1/1/09 payment held in suspense	(35,800.00)	**
01/05/2009 Circuit City Rent received	(24,920.00)	**
01/31/2009 Interest Due 30 days at default rate	21,441.81	(a)
02/03/2009 2/1/09 payment held in suspense	(35,800.00)	**
02/05/2009 Advance Legal Fees	6,522.10	Duane Morris LLP thru 12/31/08
02/05/2009 Advance Legal Fees	1,423.20	Duane Morris LLP thru 12/31/08 (pro rata)
02/27/2009 3/1/09 payment held in suspense	(35,800.00)	**
02/28/2009 Interest Due 30 days at default rate	21,643.15	(a)
02/28/2009 Advance Legal Fees	4,157.50	Duane Morris LLP thru 1/31/09
02/28/2009 Advance Legal Fees	1,513.50	Duane Morris LLP thru 1/31/09
02/28/2009 Advance Miscellaneous	2,009.97	Devine, Milliment & Branch thru 1/31/09
03/04/2009 Advance MAI Appraisal	4,400.00	Integra Realty Resources (MAI)
03/05/2009 Advance Taxes	36,659.29	2nd half 2008 Salem Town tax
03/05/2009 Advance Environmental	3,300.00	Gannett Fleming Inc (Phase 1 ESA)
03/10/2009 Advance Structural	2,800.00	PCSI - Commercial Building Solutions (PCA)
03/16/2009 Circuit City Rent received	(18,151.80)	**
03/26/2009 Interest Due 25 days at default rate	18,205.50	(a)
03/31/2009 Interest Due 5 days at default rate	3,841.10	(a)
03/31/2009 Advance Legal Fees	6,592.38	Devine, Milliment & Branch thru 2/28/09
04/06/2009 Late Fee	409.02	
04/24/2009 Advance Legal Fees	1,855.34	Duane Morris LLP thru 2/28/09
04/24/2009 Advance Legal Fees	3,235.53	Devine, Milliment & Branch thru 3/31/09
04/24/2009 Advance Miscellaneous	174.00	CSC - Lien/Litigation file
04/28/2009 Advance MAI Appraisal	100.00	Integra Leggat McCall & Werner (MAI)
04/30/2009 Interest Due 30 days at default rate	22,051.95	(a)
04/30/2009 Advance Legal Fees	9,489.10	Duane Morris LLP thru 2/28/09
05/05/2009 Advance Operating Expenses	1,000.00	S R Weiner & Assoc (site inspection)
05/06/2009 Late Fee	408.49	
05/07/2009 Advance Legal Fees	880.00	Duane Morris LLP thru 3/31/09
05/08/2009 Advance Legal Fees	444.72	Duane Morris LLP thru 3/31/09
05/08/2009 Advance Operating Expenses	17,055.00	National Grid - Electric Utilities
05/08/2009 Advance Operating Expenses	7,540.00	Bay State Gas Co - Gas Utilities
05/19/2009 Advance Miscellaneous	89.00	CSC - Lien/Litigation file
05/19/2009 Advance Operating Expenses	417.60	S R Weiner & Assoc (artery locks)
05/20/2009 Advance Legal Fees	5,180.85	Devine, Milliment & Branch thru 4/30/09
05/31/2009 Interest Due 30 days at default rate	22,259.25	(a)
06/05/2009 Interest Due 4 days at default rate	2,995.80	(a)

Total Exposure

2,386,355.09

Projected Sale Price

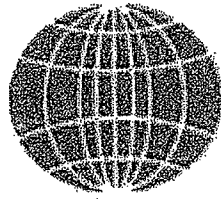
1,644,950.00

Adjusted Principal Balance with Capitalized Interest

2,393,280.39

\*\*Buyer will receive credit on its purchase price for this amount.  
(a) see page two for interest calculation

# EXHIBIT C



**PDSI**

Commercial Building Solutions

## PROPERTY CONDITION REPORT

---

**Circuit City**  
**428 S. Broadway Street**  
**Salem, NH**

---

**PREI Inv. # 399860**

**Prepared for**

**Principal Real Estate Investors, LLC**  
801 Grand Avenue  
Des Moines, Iowa 50392-1390

**Prepared by**

**PDSI Commercial Building Solutions**  
15 Barrett Place  
P.O. Box 95  
Northampton, Massachusetts 01061-0095

February 17, 2009



**PDSI - Commercial Building Solutions**

**INSPECTION - EVALUATION - PROJECT MANAGEMENT**  
***QUALITY ENGINEERING AT THE BEST PRICE***

15 Barrett Place  
PO Box 95  
Northampton, MA 01061-0095

---

February 17, 2009

David Stivers, AIA  
Principal Real Estate Investors, LLC  
Des Moines, IA 50392-1390

Re: Property Condition Assessment dated February 18, 2009  
428 S. Broadway Street, Salem, NH

Dear Mr. Stivers:

This letter is written with respect to an acquisition by Principal Real Estate Investors, LLC of the above-described property (the "Property"). We, the undersigned consultant, have been retained by Principal Real Estate Investors, LLC to provide a Property Condition Assessment (the "Report") on the Property. The undersigned further understands and acknowledges that providing the Report in a form and substance acceptable to Principal Real Estate Investors, LLC is a condition to the closing of the subject transaction. Please be advised that Principal Real Estate Investors, LLC and any affiliates, successors, and/or assigns and or any Advisory Client of Principal Real Estate Investors, LLC can rely on the Report entitled Circuit City, 428 S. Broadway Street, Salem, NH, subject to the limitations and qualifications contained therein. In addition, this letter certifies that the Report was completed incorporating the guidelines for scope and format set forth in Principal Real Estate Investors, LLC's guidance documents and that the Report satisfies such requirements set forth therein.

The undersigned further acknowledges that Principal Life Insurance Company, any successors, and/or assigns may rely on the Report to the same extent that Principal Real Estate Investors, LLC is able to rely on the Report.

Sincerely,  
PDSI Commercial Building Solutions

**Steve Vukovich**

Stephen M. Vukovich, PE  
President

PHONE (413) 586-2725  
FAX (413) 587-0031

Principal Real Estate Investors  
Section 3

**PDSI**

## TABLE OF CONTENTS

<u>Section Number</u>	<u>Section Title</u>
1	Title Page
2	Rely Letter
3	Table of Contents
4	Executive Summary
5	Immediate Needs and Capital Reserve Tables <i>Immediate Needs Analysis (Spreadsheet)</i> <i>Reserve Analysis (Spreadsheet)</i>
6	Project Directory
7	Property Profile
8	Regulatory Review
9	List of Documents Reviewed
10	List of Personnel Interviewed or Supplying Information
11	Main Body of Report– <i>Project Description</i>
12	Photos
13	Qualifiers
14	Appendices <i>Appendix A – Site Aerial</i> <i>Appendix B – Documents</i> <i>None Provided.</i> <i>Appendix C – Pre-Survey Questionnaire – <u>Not</u></i> <i><u>Provided</u></i>

---

Principal Real Estate Investors, LLC  
Circuit City, 428 S. Broadway Street (NH Route 28)  
Salem, New Hampshire

---

**PDSI** Commercial Building Solutions  
(413) 586-2725, FAX (413) 587-0031

Principal Real Estate Investors  
Section 4

**PDSI**

## **EXECUTIVE SUMMARY**

is part of the loan security. Parking that appears associated with the derelict building is located north and setback behind neighbor commercial frontage properties.

The property was observed to generally be constructed of quality materials and workmanship. The entire property was found to have been detailed in a manner that appears functionally appropriate when compared to other single-tenant retail properties. The location of the warehouse portion of the building with greater clear height along the west side of the building, rather than along the rear, could create difficulty to demise the building in a suitable manner for use by more than one tenant. Other than this, there was nothing observed from a physical standpoint that appears to represent an inordinate risk from an ownership standpoint.

**NOTE:** The following headings and numbered items correspond with those listed in Section 5 - "Immediate Needs and Capital Reserve Tables" and in Section 11 - "Main Body of the Report".

### **Concerns and Budget Recommendations**

<b><u>IMMEDIATE REPLACEMENT / REPAIRS</u></b>				
<b><u>Num.</u></b>	<b><u>Sect.</u></b>	<b><u>Description of Concerns/ Recommendations</u></b>	<b><u>Budget</u></b>	
1	2.3A	Pavement crack repairs	\$1,000	
2	2.3D	Catch basin repairs	\$6,000	
3	2.3E	Concrete pavement repairs	\$1,500	
4	4.1A	Remove and replace exterior sealants	\$12,000	
5	4.1C	Repairs to overhead security door	\$1,000	
6	4.1D	Repairs automobile sound installation room doors	\$1,000	
7	4.2A	Repair parapet coping sealant seams	\$3,000	
8	6.4C	Replace fire indicator panel face	\$500	
	7.2A	ADA – Provide two additional accessible parking		
9		spaces	\$600	
<b>TOTAL</b>			<b>\$26,600</b>	
<b><u>RESERVE SCHEDULE</u></b>				
<b><u>Num.</u></b>	<b><u>Sect.</u></b>	<b><u>Description of Concerns / Recommendations</u></b>	<b><u>Total Budget</u></b>	<b><u>Year</u></b>
1	2.3B	Pavement repairs	\$33,000	1 thru 10
2	2.3C	Sealcoat and restripe pavement	\$31,160	2 & 7
3	2.10A	Demolish derelict building	\$90,000	2

Principal Real Estate Investors, LLC  
Circuit City, 428 S. Broadway Street (NH Route 28)  
Salem, New Hampshire

**PDSI** Commercial Building Solutions  
(413) 586-2725, FAX (413) 587-0031

Principal Real Estate Investors  
Section 4

**PDSI**

## EXECUTIVE SUMMARY

4	4.1B	Repaint exterior walls	\$15,000	5
5	4.2B	Replace roofing	\$231,000	7
6	6.1A	Replace rooftop AC units	\$243,000	8 thru 10
7	6.1B	Repair rooftop HVAC condensate drain system	\$1,000	1
8	6.3A	Replace domestic hot water heater	\$300	6

### OTHER CONCERNS / RECOMMENDATIONS -- CAPITAL BUDGET NOT PROVIDED

<u>Sect.</u>	<u>Description of Concerns / Recommendations</u>	<u>Budget</u>	<u>Year</u>
1.2A	Obtain Certificate of Occupancy	N/A	
1.2B	Obtain copies of any existing I/E and Maintenance Agreements	N/A	
2.10B	Groundwater monitoring well		
4.2B	Remove roof debris	N/A	
6.2A	Perform infrared survey of electrical components	N/A	
6.4A	Obtain fire safety inspection reports	N/A	
6.4B	Inspect fire sprinkler heads	N/A	

---

Principal Real Estate Investors, LLC  
Circuit City, 428 S. Broadway Street (NH Route 28)  
Salem, New Hampshire

---

**PDSI** Commercial Building Solutions  
(413) 586-2725, FAX (413) 587-0031